

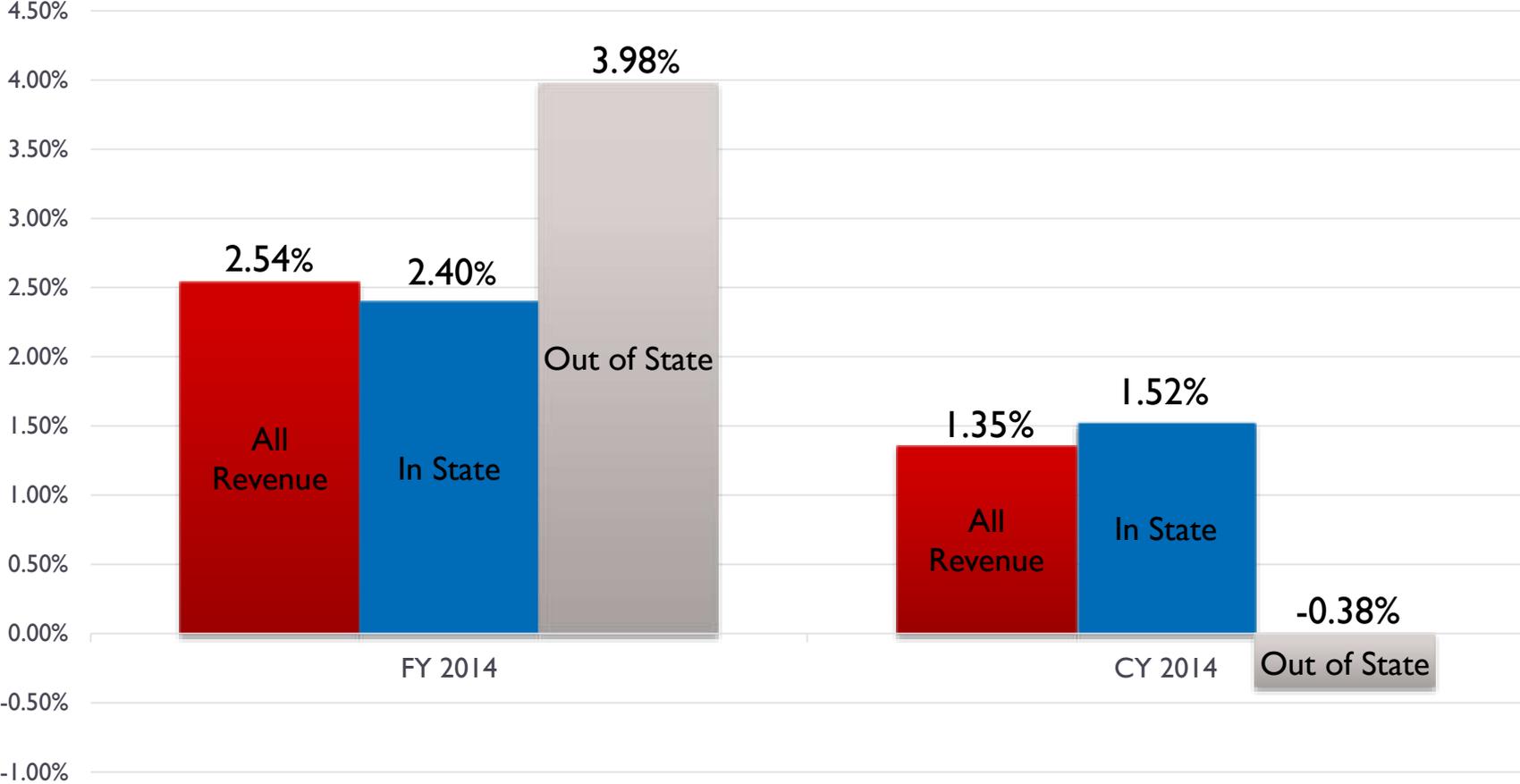


# Monitoring Maryland Performance Financial Data

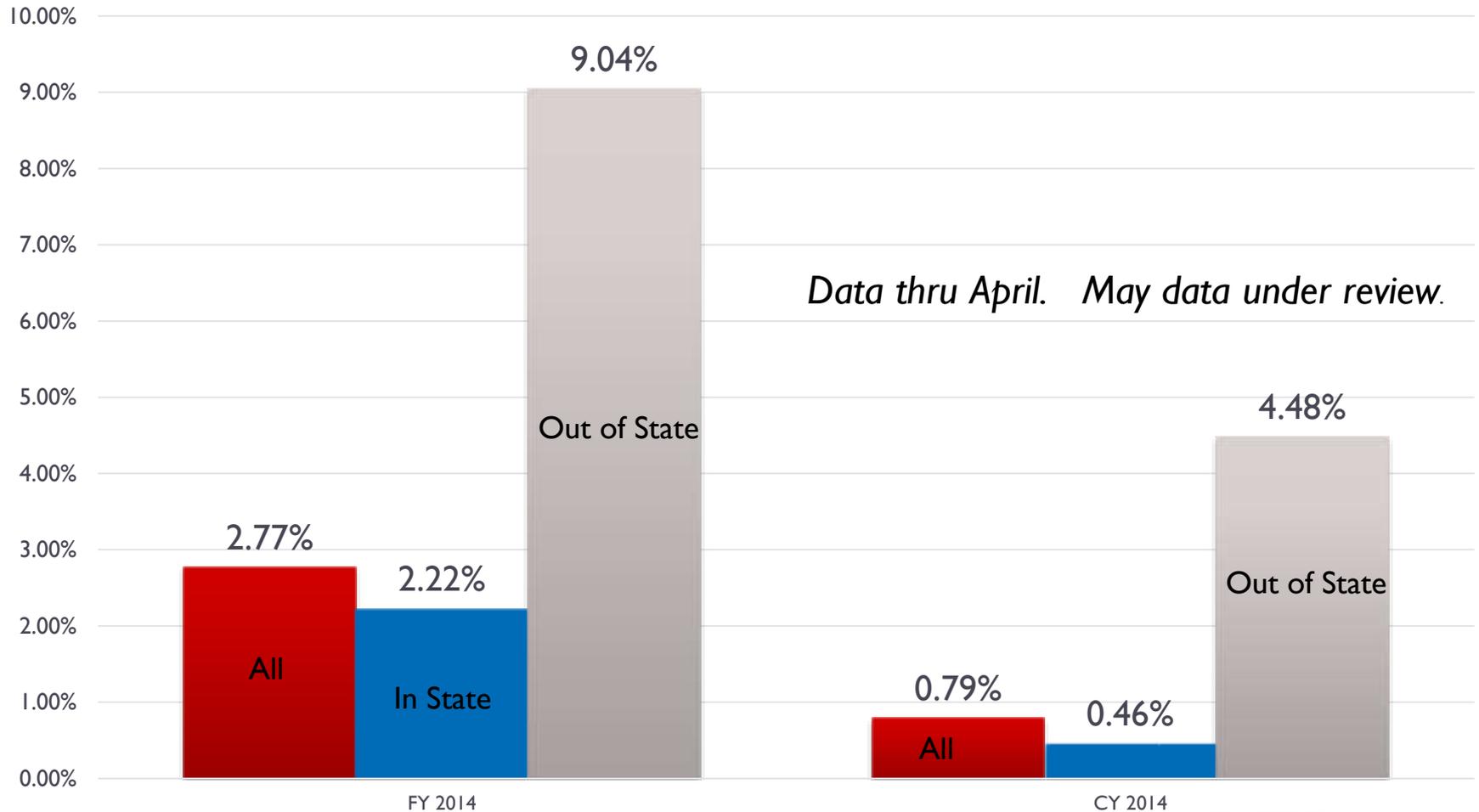
Fiscal and Calendar Year to Date thru May 2014



# All Payer Gross Revenue Year to Date Compared to Same Period in Prior Year



# Medicare Fee-for-Service Gross Revenue Year to Date Compared to Same Period in Prior Year



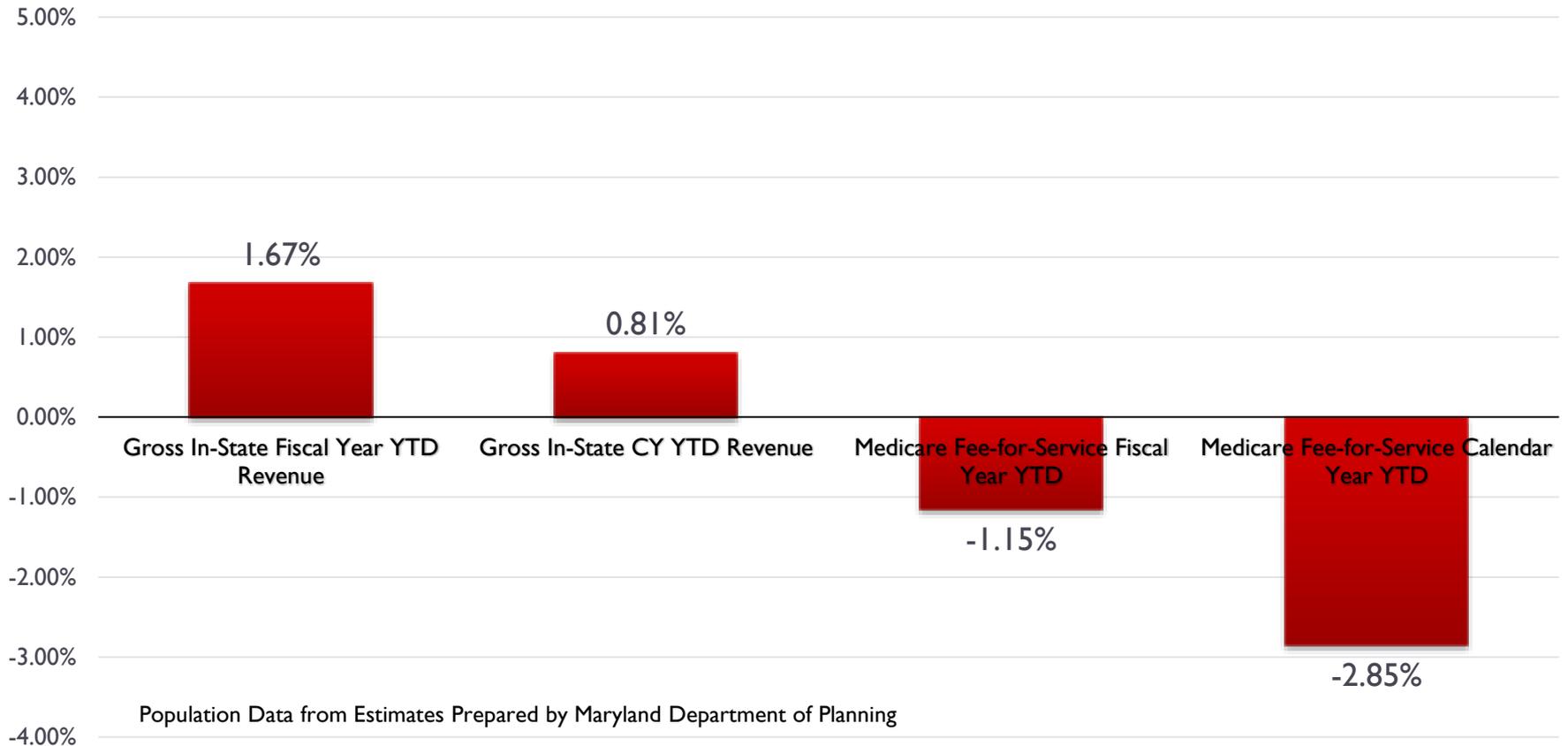
## Medicare Data Sharing & Establishment of CY 2013 Baseline

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- ▶ Staff continue to work with CMMI to obtain the national and State Medicare data necessary to monitor Maryland's compliance with the guardrail to save Medicare \$330 million over five years.
  - ▶ Current effort is focused on establishing Medicare revenue in the base period (CY 2013).
  - ▶ CMMI has provided draft aggregate level data that requires additional scrubbing.
    - ▶ Coordination of benefit reporting in HSCRC data may be an issue.
  - ▶ CMMI has agreed to expedite the process of providing the patient level Medicare data required to evaluate the aggregate data and begin analyzing CY 2014 data.
    - ▶ Limited patient level data expected to be available by mid-July with additional data elements available in late August.

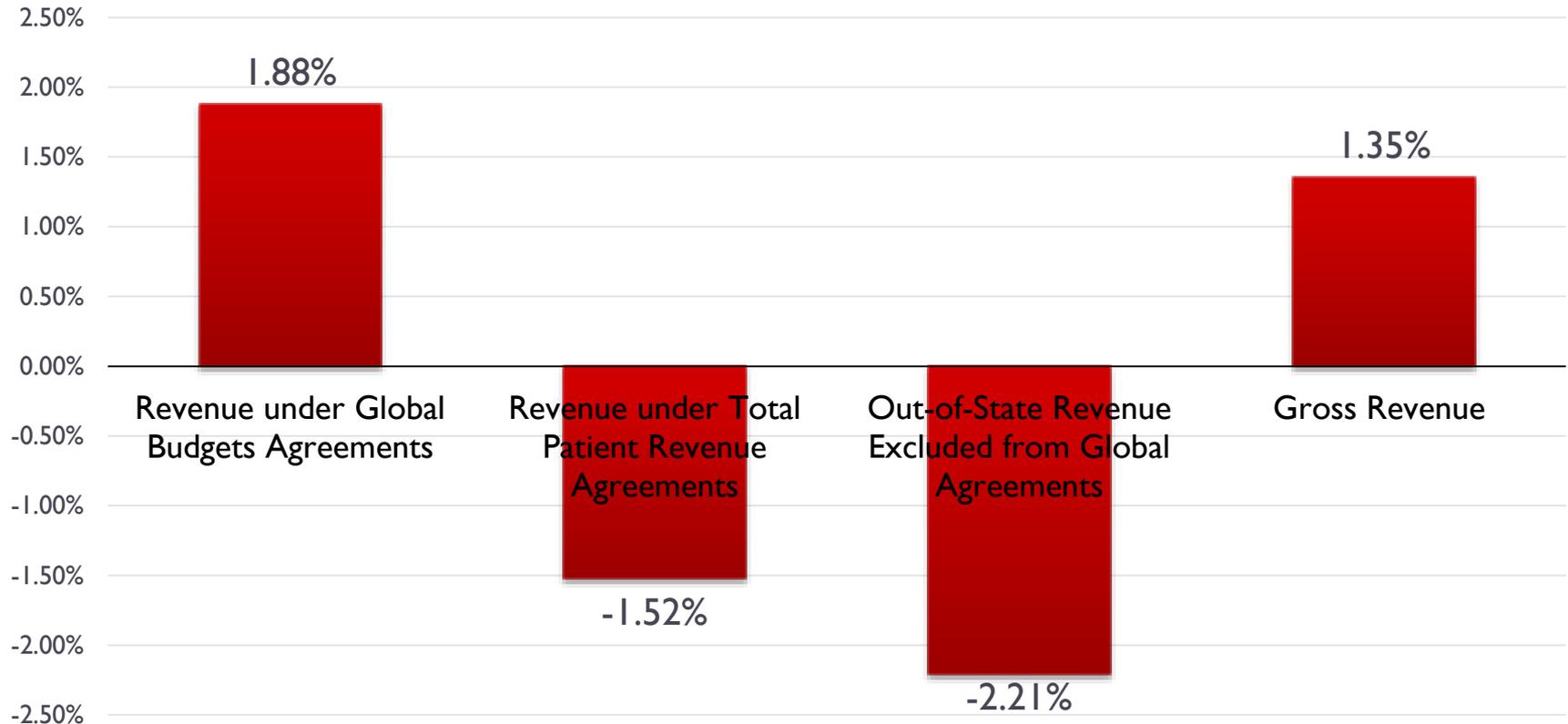
# Per Capita Growth Rates

## Fiscal Year 2014 and Calendar Year 2014



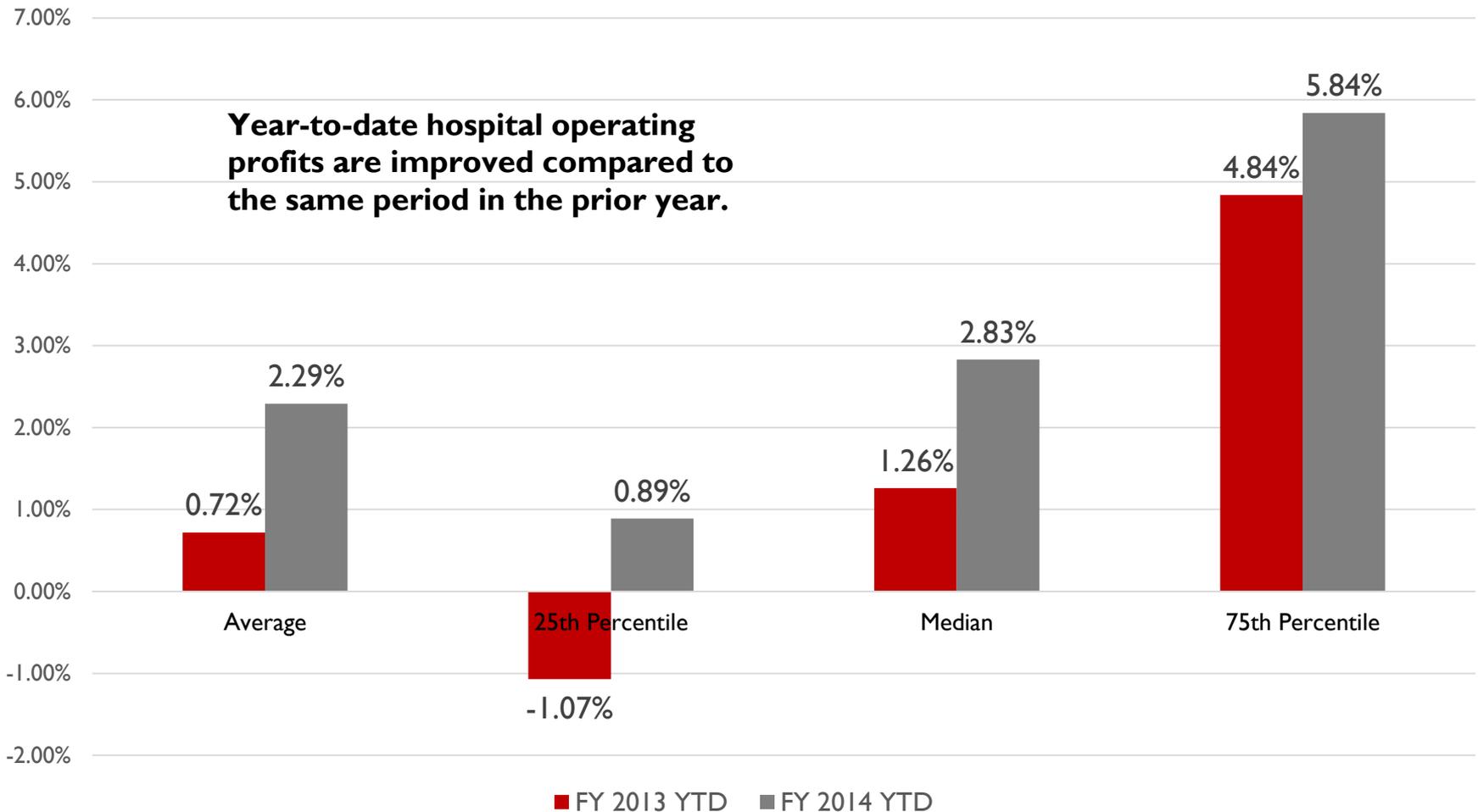
- **Fiscal and Calendar Year trends to date are below All-Payer Model Guardrail for per capita growth.**
- **Medicare data thru April as May data are still under review.**

# CY 2014 Gross Hospital Revenue Growth Compared to Same Period in Prior Year



- Revenue under Global Budget agreements is up 1.88% consistent with staff estimate of 1.84% for first half of calendar year.
- Calendar year-to-date global revenue growth is constrained by adjustments hospitals are making to comply with FY 2014 rate targets.
- Revenue under TPR agreements is down due hospitals adjusting charges to comply with FY 2014 targets.

# Operating Profits: Fiscal Year-to-Date (July through May)



# Purpose of Monitoring Maryland Performance

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**Evaluate Maryland's performance against All-Payer Model requirements:**

- **All-Payer total hospital per capita revenue growth ceiling** for Maryland residents tied to long term state economic growth (GSP) per capita
  - 3.58% annual growth rate
- **Medicare payment savings** for Maryland beneficiaries compared to dynamic national trend. Minimum of \$330 million in savings over 5 years
- **Patient and population centered-measures** and targets to promote population health improvement
  - Medicare readmission reductions to national average
  - 30% reduction in preventable conditions under Maryland's Hospital Acquired Condition program (MHAC) over a 5 year period
  - Many other quality improvement targets

# Data Caveats

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- Data revisions are expected.
- For financial data if residency is unknown, hospitals report this as a Maryland resident. As more data becomes available, there may be shifts from Maryland to out-of-state.
- Many hospitals are converting revenue systems along with implementation of Electronic Health Records. This may cause some instability in the accuracy of reported data. As a result, HSCRC staff will monitor total revenue as well as the split of in state and out of state revenues.
- Medicare financial data are through April rather than May as additional data scrubbing for May is required to ensure Medicare/Non-Medicare and In-State/Out-of-State splits are recorded correctly.
- ▶ Per capita calculations rely on Maryland Department of Planning projections of population growth of .71% and 3.41% age over 65, used as a proxy for growth in Medicare beneficiaries.